

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CONSOLIDATED)	
FINANCIAL RESOURCES, INC.)	
FOR AN ORDER AUTHORIZING THE)	CASE NO.
PURCHASE OF 17,500 SHARES OF)	2001-00302
THE ISSUED AND OUTSTANDING)	
CAPITAL STOCK OF BURKESVILLE)	
GAS COMPANY, INC.)	

O R D E R

On November 13, 2001, Consolidated Financial Resources, Inc. (CFRI) filed a petition with the Commission seeking authorization to transfer 17,500 shares of the capital stock of Burkesville Gas Company, Inc. (Burkesville) to Summit National Holding Corporation (Summit).

On December 6, 2001, Commission Staff issued a data request to CFRI. On December 13, 2001, CFRI moved for an additional 30 days in which to respond to the request. On January 11, 2002, CFRI was granted a request to extend the term to February 15, 2002 for review of the application and Commission approval. On February 1, 2002, CFRI filed a response to the data request. However, on January 24, 2002, a letter was filed by CFRI and Summit agreeing to extend the time pursuant to KRS 278.020(5) to February 23, 2002. With this Order the time permitted for review is extended to February 23, 2002, rather than the February 15, 2002 date set forth in our January 11, 2002 Order.

Based on the evidence of record, the Commission finds that:

1. CFRI is a Texas corporation with its principal place of business at 2718 Wesley Street, Suite A, Post Office Box 962, Greenville, Texas, 75401.
2. CFRI is currently the owner of 17,500 shares of the issued and outstanding capital stock in Burkesville.
3. Summit is a Texas corporation with its principal place of business at 2718 Wesley Street, Suite A, Post Office Box 962, Greenville, Texas, 75401.
4. CFRI is 100 percent owned by Summit.
5. Summit desires to purchase all of the 17,500 shares of capital stock in Burkesville owned by CFRI.
6. The 17,500 shares of stock to be transferred represent 87.5 percent of the outstanding stock of Burkesville. The remaining 2,500 outstanding, issued shares will continue to be owned by Ron Greiner.
7. The stock will transfer to the parent holding company (Summit) from its wholly owned subsidiary (CFRI).
8. Summit will not pay cash for the stock, but will release CFRI from \$23,000 of indebtedness it owes Summit.
9. The management of Burkesville will not change as a result of the transfer.
10. Summit has the financial, technical, and managerial abilities to provide reasonable utility service.
11. The proposed stock transfer is in accordance with law, is for a proper purpose, and is consistent with the public interest.

IT IS THEREFORE ORDERED that:

1. The Order of January 11, 2002 is amended to extend the time allotted to the Commission to rule upon the application to February 23, 2002.

2. The transfer of the 17,500 shares of outstanding capital stock of Burkesville from CFRI to Summit is approved.

3. Within 10 days of completion of the proposed transfer of stock, Summit shall notify the Commission in writing of the completion of the transfer.

Done at Frankfort, Kentucky, this 22nd day of February, 2002.

By the Commission

ATTEST:


Executive Director